SHAR. The fire broke out in one of the cable wells located near the launch complex on 1st July, 2003. The fire was immediately put off and the damaged cables have been replaced and tested.

Delay in implementation of projects

2697. DR. A. R. KIDWAI : Will the PRIME MINISTER be pleased to state:

(a) whether delay in implementation of various projects of twelve Ministries has resulted in cost overrun totalling to over Rs. 15,155 crores;

(b) if so, which are the Ministries that have been delaying these projects;

(c) the main reasons for the same;

(d) to what extent the cost escalation has been made in these Ministry projects; and

(e) what action Government propose to take against these Ministries where this cost overrun projects has been increasing?

THE MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION : (SHRI SATYABRATA MOOKHERJEE) : (a) to (d) As on 1.07.2003, 264 projects costing Rs. 100 crore and above belonging to 13 Ministries, on the monitor of the Ministry of Statistics and Programme Implementation, had registered an overall cost overrun of Rs. 15,050.15 crore with reference to the latest approved cost of Rs. 1,84,855.59 crore. Fund constraints, delay in land acquisition, change in scope of projects, delay in award of contracts and slow progress by contractors are the main reasons for the slippages in date of commissioning of projects. The cost escalation of projects, sector-wise under the Administrative control of various Ministries are given in the Statement enclosed.

(e) The steps taken by the Government to improve project implementation include :

(i) adoption of two-stage clearance system and stricter appraisal of project reports before investment approval;

(ii) taking up of projects for implementation only after funds have been fully tied up;

(iii) in-depth review of projects on monthly as well as quarterly basis by the Government;

(iv) setting up of an Empowered Committee in the administrative Ministries for review of departmentally executed projects;

(v) setting up of Standing Committees in the Ministries/ Departments to fix responsibility for time and cost overruns;

(vi) appointment of nodal officers for each project with continuity of tenure; and

(vii) issue to guidelines on standard bidding documents for adoption.

Statement

The sector-wise cost escalation of projects

Ministry/Sector	No. of Projects	Cost (Rs. Crores) Latest Approved	Now Anticipated	Cost Overrun (*) (in Rs. Crores)	%
Atomic Energy	4	26877.00	26050.00	-827.00	-3.1
Coal	6	5262.87	5231.28	-31.59	-0.6
Fertilisers	1	509.40	509.40	0.00	0
Mines	2	2541.98	2541.98	0.00	0
Steel	3	731.07	731.07	0.00	0
Petroleum	24	31206.00	33152.91	1946.91	6.2
Power	34	52500.06	56538.65	4038.59	7.7
Health & FW	2	691.84	691.84	0.00	0
Railways	85	26526.34	36528.95	10002.61	37.7
Road Transport & Highways	94	24603.75	24521.22	-82.53	-0.3
Shipping & Ports	7	2554.31	2557.47	3.16	0.1
Telecommunications	1	279.97	279.97	0.00	0
Urban Development	1	10571.00	10571.00	0.00	0
TOTAL :	264	184855.59	199905.74	15050.15	8.1

(*) Negative figures shows saving on the latest approved costs.